

**BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE**

OCTOBER 13, 1999

IN RE:)	
)	
PETITION FOR AUTHORITY FOR)	
RSL COM U.S.A., INC. TO ADOPT)	DOCKET NO. 99-00004
THE TARIFF OF WESTINGHOUSE)	
ELECTRIC CORPORATION D/B/A/)	
WESTINGHOUSE)	
COMMUNICATIONS)	

ORDER ADOPTING TARIFF AND ABANDONING SERVICE

This matter came before the Tennessee Regulatory Authority ("Authority") at the regularly scheduled Authority Conference held on February 16, 1999, for consideration of a Petition filed by RSL U.S.A., Inc. ("RSL USA") and Westinghouse Electric Corporation d/b/a Westinghouse Communications ("Westinghouse") (together, the "Petitioners") on January 5, 1999. The Petitioners request that the Authority approve the acquisition of Westinghouse by RSL USA pursuant to Tenn. Code Ann. §65-4-112. Upon the Authority's approval of RSL USA's adoption of the Westinghouse tariff on file with the Authority, Westinghouse will abandon its authority to resell telecommunications services in Tennessee.

The acquisition of Westinghouse by RSL USA involves an Asset Purchase Agreement ("Agreement") between RSL USA and CBS for the sale of Westinghouse's business and substantially all of its assets and liabilities relating to the business. Upon Authority approval of the Petition and consummation of the transfer of assets from CBS to RSL USA, Westinghouse will cease to exist, its charter will be revoked and it will

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abandon its authority in Tennessee. Pursuant to the Agreement, RSL USA has permission to use the trade name "Westinghouse." Further, RSL USA has requested that the cancellation of Westinghouse's certificate become effective upon notice of the consummation of the transfer of assets from CBS to RSL USA.

The Petitioners stated that the acquisition would neither disrupt service nor cause inconvenience or confusion to Westinghouse's customers. RSL USA will notify Westinghouse's customers of the acquisition and give those customers the option to switch providers or remain with RSL USA. Customers choosing to remain with RSL USA will be able to choose between the services offered under the RSL USA tariff or continue to use the services contained in Westinghouse's tariff to which they currently subscribe.

I. CRITERIA FOR APPROVING MERGER

A merger between regulated public utilities is not valid until approved by the Authority under the provisions of Tenn. Code Ann. § 65-4-112. In addition, under Tenn. Code Ann. § 65-4-101, any entity that owns, operates, manages or controls utility systems, plant or equipment under certification by this Authority, or its predecessor, the Tennessee Public Service Commission, to provide utility service in the state of Tennessee is a public utility. Since this merger involves two entities holding certificates in Tennessee, Authority approval is required under the provisions of Tenn. Code Ann. § 65-4-112(a). This Section provides for the following:

(a) No lease of its property, rights, or franchises, by any such public utility, and no merger or consolidation of its property, rights and franchises by any such public utility with the property, rights and franchises of any other such public utility of like character shall be

valid until approved by the authority, even though power to take such action has been conferred on such public utility by the state of Tennessee or by any political subdivision of the state. (Emphasis supplied).

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

After consideration of the entire record in this matter, including the Joint Application, the Directors find and conclude as follows:

1. That the Authority has jurisdiction over the subject matter of the Joint Application pursuant to Tenn. Code Ann. § 65-4-112;

2. That the proposed transfer of control will be accomplished through a transaction whereby RSL USA will purchase Westinghouse's business and substantially all of the assets and liabilities relating to the business;

3. That upon Authority approval of the Petition, Westinghouse will cease to exist, its charter will be revoked and it will abandon its authority to resell telecommunications services in Tennessee;

4. That both RSL USA and Westinghouse have been engaged in the business of providing telecommunications services in Tennessee;

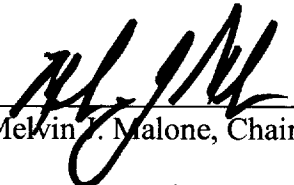
5. That after the proposed transfer of control, Westinghouse will cease to operate as reseller of intrastate interexchange telecommunications services in Tennessee.

6. That based on the foregoing, the merger and transfer of control is reasonable and compatible with the public interest and should be granted.

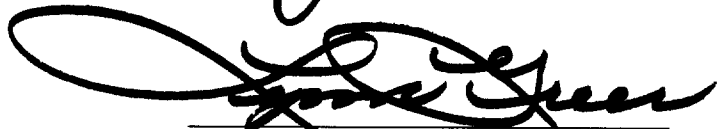
After consideration of the record in the matter, the Directors unanimously approved the Petition.

IT IS THEREFORE ORDERED THAT:

1. The Petition for approval of the acquisition of Westinghouse Electric Corporation d/b/a Westinghouse Communications by RSL COM U.S.A., Inc. is approved.
2. Westinghouse Electric Corporation d/b/a Westinghouse Communications cease to operate as a reseller of intrastate interexchange telecommunications within the state of Tennessee.
3. Any party aggrieved by the Authority's decision in this matter may file an Application for Reconsideration with the Authority within ten (10) days from and after the date of this Order.



Melvin J. Malone, Chairman



H. Lynn Greer, Jr., Director



Sara Kyle, Director

ATTEST:



K. David Waddell, Executive Secretary